

**Site Wide Progressive Discipline Policy
Knight/Jacobs Joint Venture
Spallation Neutron Source (SNS) Project**

POLICY

The purpose of this policy is to state the position of the Knight/Jacobs Joint Venture (K/J) and its affiliated companies, on administering equitable and consistent discipline of unsatisfactory conduct on the jobsite. This policy ensures fair treatment of all employees in making certain that disciplinary actions are prompt, uniform and impartial. The primary purpose of any disciplinary plan is to correct the problem, prevent recurrence and prepare the employee for satisfactory service in the future.

We recognize that employees on the whole normally govern their activities while at work in the same high standards of conduct that they use for their personal affairs. But we recognize that errors in judgement may occur and when they do we wish to address them in a fair, impartial and consistent manner. By using progressive discipline, it is our hope that most employee problems can be corrected in the early stages, thus benefiting both the employee and K/J. Open and clear communications between the employee and the supervisor promotes understanding, and is the key to preclude the need for any disciplinary action.

Disciplinary action may call for any four of the following steps: Verbal warning, written warning, temporary suspension from the SNS project site, and denial of access to the SNS project site for a period of one year or more, depending on the severity of the problem and the number occurrences.

All disciplinary actions are based upon incident free time periods (rolling date). After an active employee has gone for a time period of one-year (365-days) without a reoccurrence of any progressive disciplinary action, all prior disciplinary action records will be removed from their personnel file. Records associated with terminations will not be purged from the files. A central database will be maintained to ensure that K/J disciplinary actions are applied uniformly at the jobsite.

All disciplinary actions resulting in suspension or termination will automatically be reviewed within twenty-four (24) hours by the appropriate Business Agent (if applicable), the subcontractor's representative and the K/J Deputy Project Manager for Construction.

Employees terminated for safety violations will not be eligible for re-employment on any K/J project for twelve (12) months. Employees terminated for a second time for a safety violation are ineligible for re-employment on any K/J project.

The following table provides the five (5) categories of offenses that require some form of disciplinary action in order to ensure corrective job performance, with only Class V offenses being characterized as the most serious and for which immediate termination will result.

DISCIPLINARY ACTIONS BY OFFENSE CLASS AND OCCURRENCE

OFFENSE	FIRST	SECOND	THIRD
Class I <ul style="list-style-type: none"> ▪ Creating or contributing to unsanitary conditions due to poor housekeeping ▪ Posting or removing notices on bulletin boards without permission ▪ Eating in unauthorized areas ▪ Failure to report the use of prescription drugs ▪ Unauthorized soliciting of contributions on SNS Project ▪ Smoking in unauthorized areas (Note: This may be upgraded to a Class V offense if in a hazardous area) <p>For Fourth Offense, next step in Progressive Disciplinary Policy is 30-day suspension, followed by Access Denial for the Fifth Offense within a 365-day time period.</p>	Verbal reprimand	Written reprimand	3-day suspension
Class II <ul style="list-style-type: none"> ▪ Unauthorized use of equipment, tools, or machinery ▪ Failure to observe traffic and parking rules on SNS project ▪ Horseplay <p>For Fourth Offense within a 365-day time period, next step is Access Denial.</p>	Written reprimand	3-day suspension	30-day suspension
Class III <ul style="list-style-type: none"> ▪ Gambling on SNS site ▪ Disregard for safety rules (other than those mentioned elsewhere) ▪ Failure to report an injury or accident 	3-day suspension	30-day suspension	Access denied to site
Class IV <ul style="list-style-type: none"> ▪ Threatening or intimidating other employees or supervisors ▪ Intentionally punching another employee's timecard, dropping brass, or using another ID badge 	30-day suspension	Access denied to site	
Class V <ul style="list-style-type: none"> ▪ Any violation of safety procedures that contribute to the potential for loss of life or limb (see Note 1 for examples) ▪ Possession of weapons or firearms on company property, including site parking areas ▪ Possession of drugs, alcohol, and related paraphernalia on company property, including site parking areas ▪ Any other violations of the Drug Free Work Place policy ▪ Theft of property from company, client or other employees ▪ Assault on a supervisor or other employee 	Access denied to site		
Note 1: Examples of Safety Violations <ul style="list-style-type: none"> ▪ Failure to comply with Company 100% fall protection policy ▪ Violation of confined space entry procedures ▪ Violation of First Break procedure 			

NOTE: This policy is designed to set minimum standards and is not meant to supercede a subcontractor's policy or policies which may be more stringent.

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Acknowledgement

I have read and understand the Knight/Jacobs Joint Venture policy on discipline. I further understand that not following the company or client's rules and regulations will result in disciplinary action up to and including denial of SNS site access.

Print Name

Signature

Date

Witness

Date